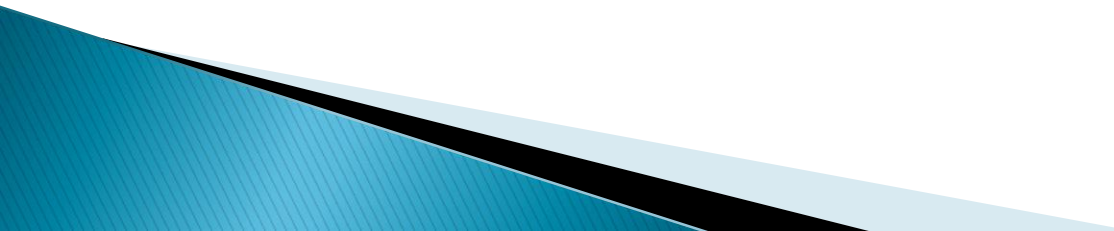


# Maricopa County Overview of FY 2014 Budget and Property Taxes

*Prepared by the Office of Management and Budget*



# What's Inside

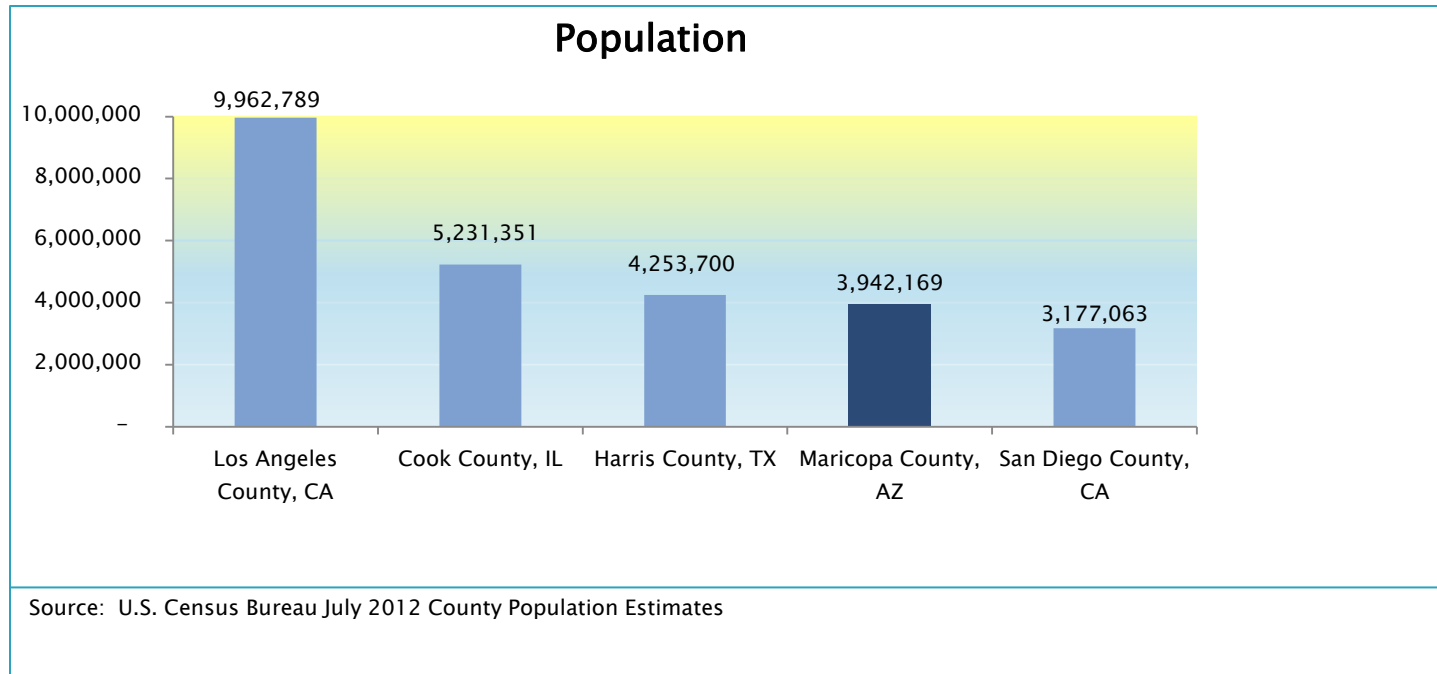
- ▶ Make up of Your County Tax Bill
  - ▶ About Maricopa County
    - Mission
    - Vision
    - Priorities
  - ▶ Sources of Revenue
    - List of Sources
    - Information about Property Taxes
  - ▶ Uses of Revenue
- 

# County Controlled Property Taxes make up only 11.7% of Total Property Taxes



# About Maricopa County

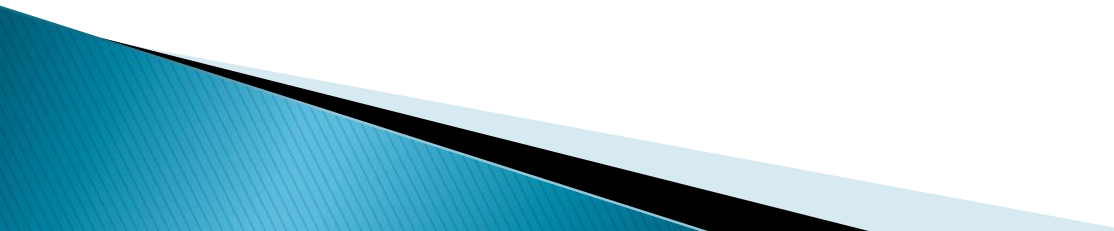
- ▶ Maricopa County is the nation's 4<sup>th</sup> largest county in terms of population



- ▶ The governing body is the Board of Supervisors.

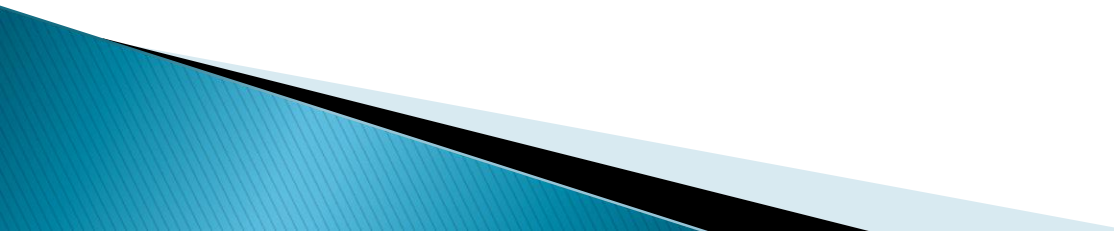
# Mission

The mission of Maricopa County is to provide regional leadership and fiscally responsible, necessary public services so that residents can enjoy living in a healthy and safe community.

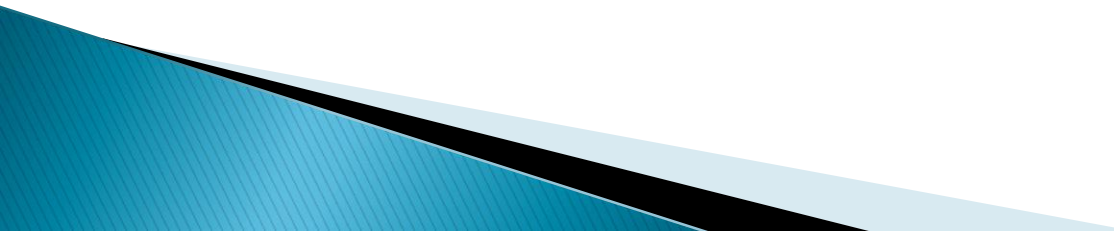


# Vision

Citizens serving citizens by working collaboratively, innovatively, efficiently and effectively. We will be responsive to our customers while being fiscally prudent.




# Strategic Priorities

- Ensure safe communities
  - Provide all citizens with access to an effective, integrated justice system
  - Promote and protect the public health of the community
  - Promote opportunities for and educate residents so they can improve their own circumstances and quality of life
  - Exercise sound financial management and build the County's fiscal strength
- 

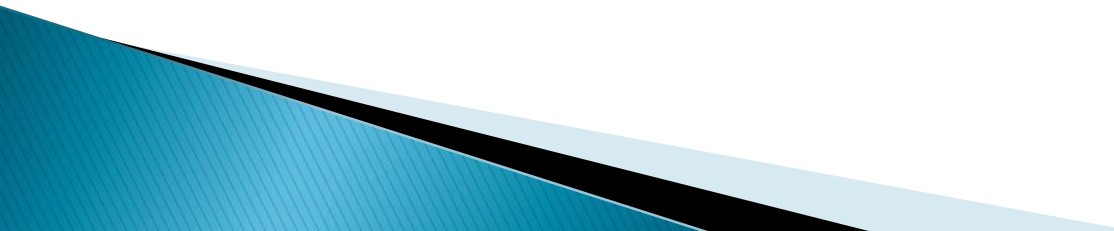


# Strategic Priorities


- Reduce the environmental impact of County government and provide leadership to promote regional environmental sustainability, including the preservation of open, natural park and recreation lands
  - Contribute to an effective regional economy
  - Contribute to a safe and effective transportation system
- 




# Strategic Priorities

- Increase citizen satisfaction and trust in County government with efficient, effective, and accountable public services
  - Maintain a quality, diverse and innovative workforce and equip County employees with tools, skills and technology they need to do their jobs safely and well
- 

# FY 2014 Sources of Revenue

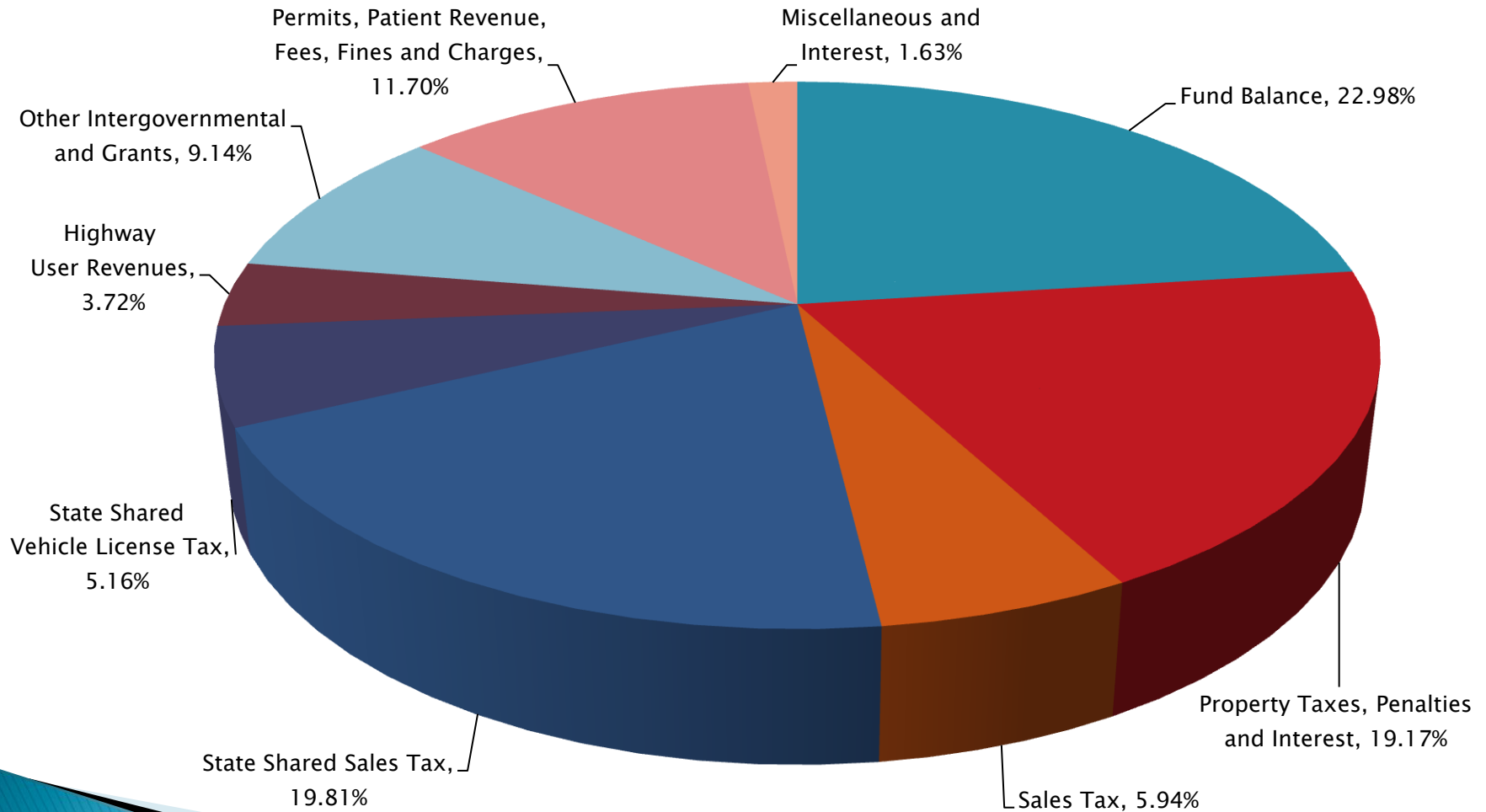
- ▶ **What are the primary sources of revenue for Maricopa County?**
    - **State Shared Sales Tax** – share of the State of Arizona's sales tax used to fund the general operations of the County.
    - **Property Taxes** – tax on real and personal property. These funds are used for the County's general operations.
    - **Licenses, permits, fees and charges for services** – charges to customers receiving licenses, permits or services from the County.
    - **Grants and payments from other governments**
- 

# FY 2014 Sources of Revenue

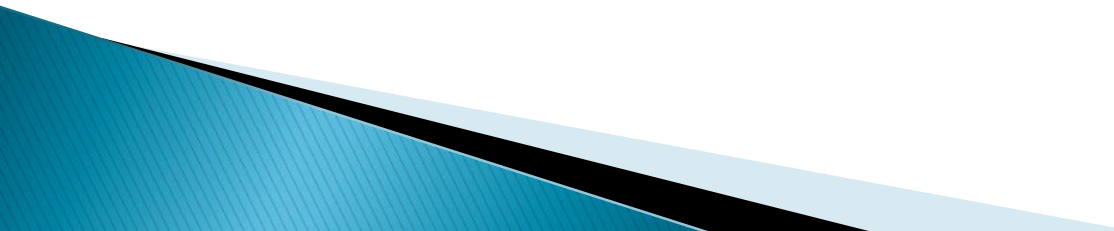
- ▶ **What are the primary sources of revenue for Maricopa County?**
    - **State Shared Vehicle License Tax** – share of the personal property tax on vehicles collected by the State of Arizona used to fund general and transportation-related expenditures.
    - **Jail Excise Tax** – voter approved special sales tax to fund detention construction and operations.
    - **State Shared Highway User Revenue Fees** – share of the fees collected by the State of Arizona and passed through to Counties to fund construction and maintenance of streets and highways.
    - **Fund Balance** – One-time funding used for capital and technology projects.
- 

# FY 2014 Adopted Budget

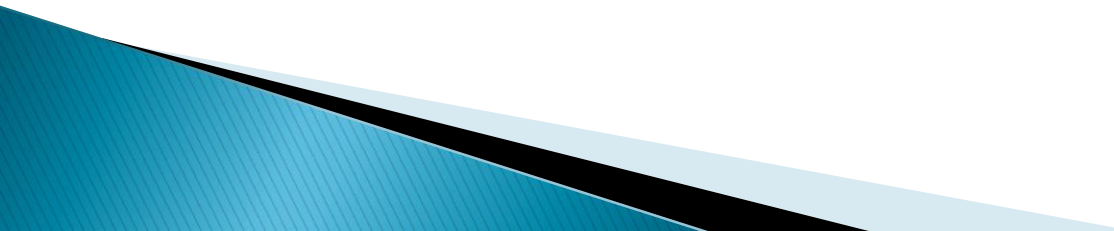
## Sources of Funds: \$2,208,474,790



# Property Values and Taxes

- ▶ Prior to the economic downturn, property values were increasing annually, reaching a high of \$58 billion in assessed value in fiscal year 2009
  - ▶ In addition, new construction was added to the roles each year, also increasing the assessed value to be taxed
  - ▶ Both these helped keep the tax rate down
- 

# Property Values and Taxes

- ▶ Since the downturn, property values experienced several years of double digit declines and are forecasted to be at the lowest point for FY 2014
  - ▶ Construction has almost ground to a halt, so few new properties have been added to the roles, so new construction no longer can help keep the rate down
  - ▶ Result: to collect the same amount of taxes, the rate would need to increase
- 

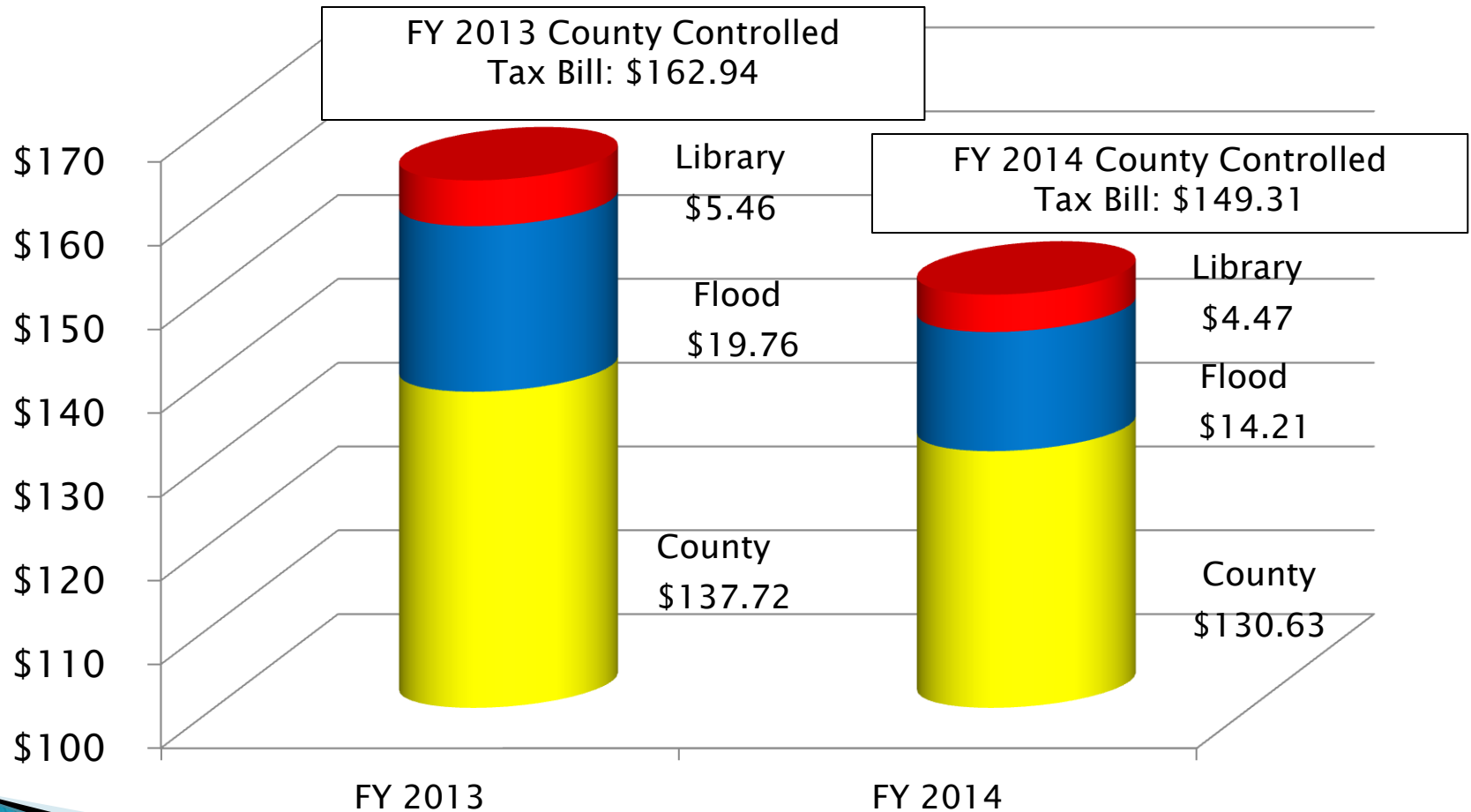
# FY 2014 Maricopa County County-Controlled Property Taxes Billed (Including New Property)

(In Millions)

	FY 2013	<b>FY 2014</b>	Var. \$
County Primary	\$ 425.1	<b>\$409.8</b>	\$(15.3)
Flood Control District	54.6	<b>39.8</b>	(14.8)
Library District	16.9	<b>14.1</b>	( 2.8)
	<hr/> \$ 496.6	<hr/> <b>\$463.7</b>	<hr/> \$(32.9)



# \$13.63 Reduction to FY 2014 County-Controlled Property Tax Bill for Average Homeowner



*Residential Median Values:*

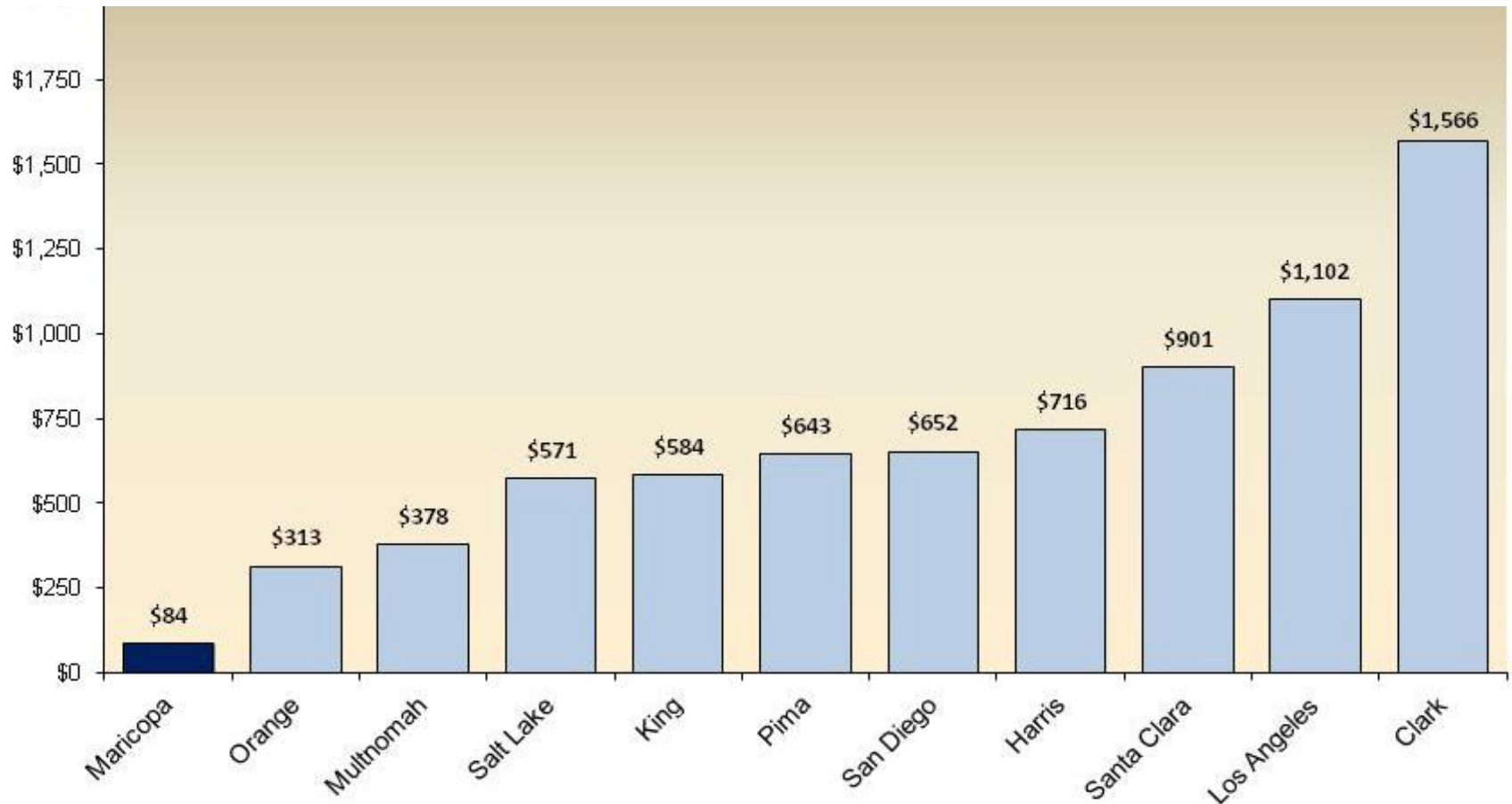
*FY 2013: \$111,000 Primary and Secondary*

*FY 2014: \$102,000 Primary and \$102,100 Secondary*

# County Policies Result in Accumulating Tax Bill Savings

- ▶ FY 2014 Tax Bill Savings from County Policies
  - “Pay as You Go” Capital saves Debt Service taxes:
    - \$82.9 million
  - Self-imposed District Levy Limits:
    - \$88.2 million
  - Self-imposed Flat or Reduced Primary Tax Levy
    - \$171.6 million
- ▶ Since FY 2002, these policies have saved taxpayers \$1.31 billion in property taxes

# FY 2012 Long-Term Debt Per Person Comparison To National Benchmarks



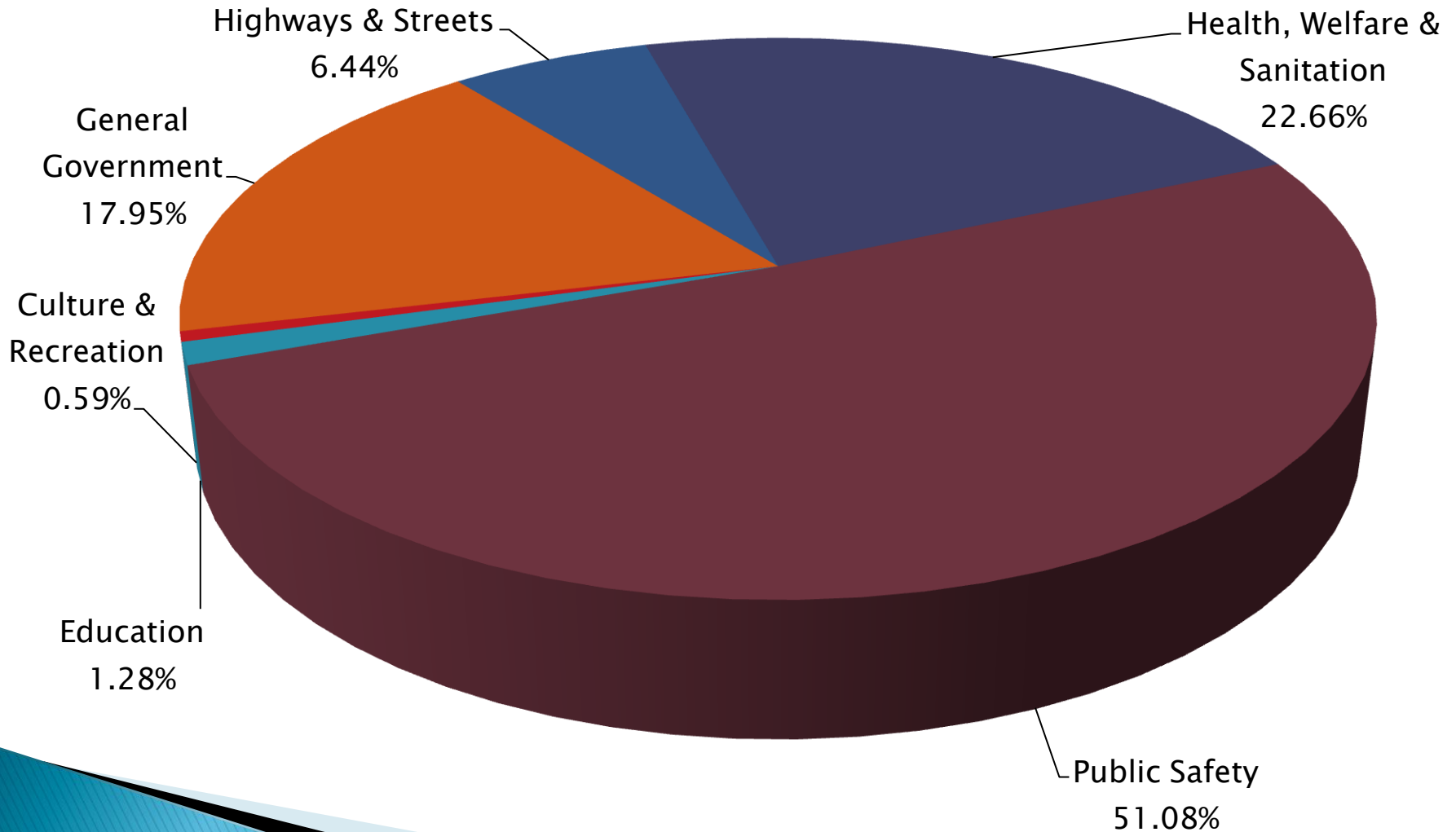
Source: Maricopa County LTD for Governmental Activities "Note 14 - Long Term Liabilities", (Benchmark CAFRs & Internal Audit Analysis)

# Reduction in County-Controlled Property Taxes

Fiscal Year	County-Controlled Taxes	Year-over-Year Change	Change from 2010
2010	587,695,910		
2011	580,704,902	(6,991,008)	(6,991,008)
2012	559,042,706	(21,662,196)	(28,653,204)
2013	496,621,093	(62,421,613)	(91,074,817)
2014	463,734,687	(32,886,406)	(123,961,223)

# FY 2014 Adopted Budget

## Uses of Funds: \$2,208,474,790



# Changes in County Population and County Staffing







# Maricopa County FY 2014 Special Districts Recommended Budget

Photo by Bill Timmerman



# Flood Control District Highlights

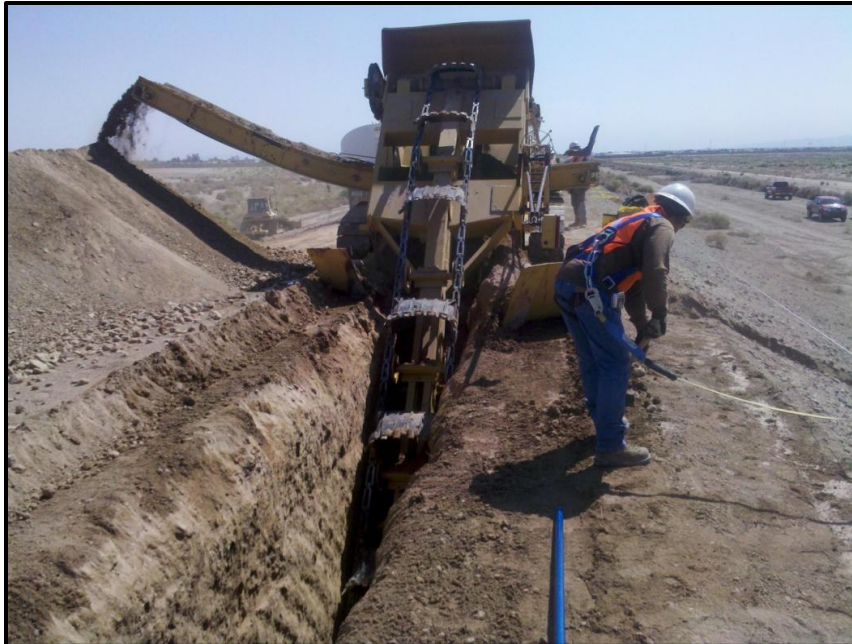
*See the Secondary Tax Flood Control section of your Tax Bill for more information*

- ▶ The property tax levy declined by \$14,741,593
- ▶ Overall expenditures of \$72 Million, a decrease of \$31 Million
- ▶ FY 2014 CIP decreased to \$40.0 Million
- ▶ Five-year CIP projected to be \$194 Million



# Flood Control District CIP

Flood Control District Projects (56 Projects)	FY 2014	FY 2015	Five-Year CIP Program Total
	Adopted Budget	to FY 2018	
	\$ 40,000,000	\$ 154,000,000	\$ 194,000,000



# Library District Highlights

*See the Secondary Tax Library section of your Tax Bill for more information*

- ▶ Property tax levy is decreasing by \$2,844,512
- ▶ Overall expenditures of \$19.4M for FY 2014 is a \$2.3M decrease compared to \$21.7M in FY 2013
- ▶ Summer Reading Program includes all libraries in the valley.
- ▶ Electronic resources and services growing to meet needs of the citizens including:  
books, music and in the future movies
- ▶ Library Assistance Program supporting additional access to library materials





# Stadium District Highlights

- ▶ FY 2014 expenditures: \$7.8 M
- ▶ Projects continued in FY 2013
  - Concrete repair
  - Concourse sound system
- ▶ Car Rental Surcharge revenue increasing for FY 2014
  - No longer using fund balance to meet debt obligations
  - Funding available to pay Arizona Sports and Tourism Authority in FY 2014



# More Information

- ▶ For more information about Maricopa County and your tax dollars, [click here](#) to visit Maricopa County OpenBooks.



**Office of Management & Budget**